

Table A.5

**Analysis of GSEs' Purchases Across MSAs
by Housing Goal Category**

1995 Originations						
	<u>Underserved Areas</u>		<u>Low-Mod Income</u>		<u>Special Affordable</u>	
Number of MSAs Analyzed	324	100.0%	324	100.0%	324	100.0%
Fannie Mae lags the Market	239	73.8%	264	81.5%	287	88.6%
Freddie Mac lags the Market	300	92.6%	319	98.5%	321	99.1%
Fannie Mae lags Freddie Mac	65	20.1%	26	8.0%	37	11.4%
Freddie Mac lags Fannie Mae	245	75.6%	295	91.0%	281	86.7%
1996 Originations						
	<u>Underserved Areas</u>		<u>Low-Mod Income</u>		<u>Special Affordable</u>	
Number of MSAs Analyzed	326	100.0%	326	100.0%	326	100.0%
Fannie Mae lags the Market	266	81.6%	285	87.4%	295	90.5%
Freddie Mac lags the Market	297	91.1%	323	99.1%	323	99.1%
Fannie Mae lags Freddie Mac	95	29.1%	54	16.6%	57	17.5%
Freddie Mac lags Fannie Mae	220	67.5%	261	80.1%	259	79.4%

Source: Fannie Mae and Freddie Mac data include information on all of their purchases for the years 1995 through 1998 and are from the loan-level data they provide to HUD. The conforming market data are originations as reported by HMDA; loans with a loan-to-income ratio greater than six are excluded from Low-Mod Income and Special Affordable categories.

Notes: The GSE loans in this analysis include all single-family owner-occupied conventional conforming home purchase mortgages in metropolitan areas (as defined by OMB in 1995 or 1996) purchased by the GSE between 1995 (1996) and 1998 but were originated during 1995 (1996).

A GSE is determined to lag the market (other GSE) if the ratio of its category share to the market (other GSE) category share is less than 99%.

Exceptions to the "lag" determination:

When there are less than 5 reported category loans in the HMDA data and less than 5 category loans from only one of the GSEs, that GSE will count as approximating the market regardless of calculated ratio.

When there are more than 5 reported category loans in the HMDA data and less than 5 category loans from each of the GSEs, it will count as Fannie Mae approximating Freddie Mac regardless of calculated ratio.